



BUDGET WEEK

Committee on the Budget • Majority Caucus
U.S. House of Representatives
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Summarizing budgetary issues in legislation
scheduled for the House floor

16 June 2003

Week of 16 June 2003

SUSPENSION CALENDAR


- 1) ***Bruce Woodbury Post Office Building Designation Act*** (H.R. 2254). 
This bill neither increases direct spending – spending not subject to appropriations – nor reduces revenue.
- 2) ***Abraham Lincoln Bicentennial Commission Extension Act*** (S. 858). 
This bill extends the authorization for the Abraham Lincoln Bicentennial Commission, which recommends activities to commemorate the bicentennial, in 2009, of the birth of Abraham Lincoln. The bill extends, until 2010, the date of the commission's termination, which is currently due at the end of fiscal year 2005. Enacting S. 858 would not affect direct spending or revenue.
- 3) ***Commending Medgar Wiley Evers and His Widow, Myrlie Evers-Williams, for Their Lives and Accomplishments*** (H.Con.Res. 220). 
This resolution has no budget implications.
- 4) ***Carl T. Curtis National Park Service Midwest Regional Headquarters Building Designation Act*** (S. 703). 
This bill neither increases direct spending nor reduces revenue.
- 5) ***Accountant, Compliance, and Enforcement Staffing Act of 2003*** (H.R. 658). 
This bill exempts from certain civil service system hiring rules job candidates for accountant, economist, and examiner positions at the Securities and Exchange Commission. The bill would not affect direct spending or revenues.
- 6) ***Concurrent Resolution Expressing the Sense of Congress That Congress Should Participate in and Support Activities to Provide Decent Homes for the People of the United States*** (S.Con.Res. 43). 
This resolution has no budget implications.
- 7) ***Commending the University of Minnesota Duluth Bulldogs for Winning the NCAA 2003 National Collegiate Women's Ice Hockey Championship*** (H.Res. 171). 
This resolution has no budget implications.

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PLEASE NOTE: This document addresses budgetary issues only. It should not be taken to address support or opposition on any other grounds. A green flag indicates no serious budgetary or budget compliance concerns. A yellow flag indicates moderate or potential problems. A red flag indicates serious problems. **Also note:** Floor schedules and legislative details are subject to change after publication.

This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and therefore may not reflect the views of all the committee's members.

LEGISLATION CONSIDERED UNDER A RULE

- Bill:** *Conference Report on the Keeping Children and Families Safe Act of 2003* (S. 342). 
- Committee:** Education and the Workforce
- Summary:** The Child Abuse Prevention and Treatment Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Abandoned Infants Assistance Act of 1988 were authorized through 2001. Since then, they have been reauthorized on a short-term basis by appropriations acts. This legislation reauthorizes these programs through 2008. It also would extend authorizations through 2008 for some programs authorized under the Family Violence Prevention and Services Act. Most programs under that act are currently authorized through 2005.
- Cost:** An estimate on the cost of the conference report was not available at the time of the preparation of this *Budget Week*. The Budget Committee does not expect the legislation to increase direct spending or reduce revenue. The Senate bill authorizes appropriations of \$315 million in 2004; the House-bill authorizes \$285 million for that year; but neither the House-passed nor the Senate-passed legislative language provided for specific funding authorization levels during the period of fiscal years 2004 through 2008.
- Budget Act:** The Budget Committee does not expect this legislation to violate any provision of the Congressional Budget Act.
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- Bill:** *Death Tax Repeal Permanency Act of 2003* (H.R. 8).
- Committee:** Ways and Means
- Summary:** This bill makes permanent the elimination of the death tax included in the Economic Growth and Tax Relief Reconciliation Act [EGTRRA] of 2001. That bill phased out the taxation of the tax on estates by 2010, but under current law, a “sunset” was included that reimposes the tax as it existed in 2001, prior to the passage of EGGTRA.. The sunset provision was included in that bill to meet certain Senate requirements.
- Revenue** No revenue estimate was available for the preparation of this *Budget Week*. Because of interactions with the gift tax, a small amount of revenue loss will occur in fiscal year 2003 – about \$80 million – and as much as \$162 billion between 2004 and 2013.
- Budget Act:** The bill reduces revenue below the budget resolution in fiscal year 2003. It does not violate the rule limiting revenue to the levels in the budget resolution (section 311 of the Budget Act) because the bill was not reported by its authorizing committee, and the rule applies only to reported bills. The budget resolution assumed comparable legislation. Nevertheless, the bill exceeds the revenue level in fiscal year 2003 due to the recent enactment of the jobs and growth tax bill (H.R. 2).
- Over time, however – in both the 5-year and 10-year periods – the bill does not cause revenue loss in violation of the terms of the budget resolution. For these time frames, the bill is well within the allowable level of revenue reduction in the budget resolution. In addition, the measure provides no new budget authority and hence it does not violate spending or entitlement points of order under the Budget Act.

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Bill: ***Taxpayer Protection and IRS Accountability Act of 2003*** (H.R. 1528). 


Committee: Ways and Means

Summary: This bill converts the penalty for an individual's underpayment of estimated tax to an interest payment on the amount of time that elapses before the appropriate payment is made. The measure also increases the safe harbor for such penalties to \$1,600. The bill extends the filing deadline for electronic filers to April 30.

The bill extends, through 30 September 2013, the authority of the Internal Revenue Service to charge taxpayers fees for certain rulings, opinion letters, and determinations, and to spend a part of those fees without further appropriation. It also allows some State-based health insurance coverage to qualify for the refundable health insurance credit.

Cost: H.R. 1528 increases revenue by \$21 million in 2003, but reduces revenue by \$289 million from 2004 through 2013. The bill also increases direct spending by \$3 million in 2003, and by \$171 million from 2004 through 2013.

Budget Act: The bill does not cause the committee's allocation to be breached in fiscal year 2003 or over the 10-year period. Also, the bill does not cause revenue to be lower than that provided for in the most recently agreed to budget resolution.

Bill: ***Small Business Health Fairness Act*** (H.R. 660). 

Committee: Education and the Workforce

Summary: The bill authorizes trade organizations to set up "association health plans" [AHPs], allowing businesses in the same trade organization to participate in them. These AHP's allow the small businesses to combine their employees into a greater pool of insured employees, enabling the members of the trade association to more easily purchase health insurance. The plans would be exempt from certain State-mandated benefit requirements, but Federal requirements would remain, such as limitations on the variance between those employees charged the most for insurance, and those charged the least.

Cost: A cost estimate for this legislation was not finalized at the time of the preparation of this *Budget Week*. The Budget Committee, on a preliminary basis, expects the bill to have no cost implications in fiscal years 2003 or 2004, though it will cause a revenue reduction of \$80 million over the 2004-08 period. The reduction in revenue results from a greater number of employers providing health insurance to their employees, allowing a larger deduction for such insurance and a reduction in the collection of corporate income taxes. No final estimate has been made on spending, but there is some possibility of an interaction with the Medicaid program: some beneficiaries now on Medicaid may be able to obtain health insurance through AHPs, and hence a small reduction in Medicaid spending may occur.

Budget Act: The bill is not expected to increase direct spending or reduce revenue. It does not violate any provision of the Congressional Budget Act.